



SCOPE OF SERVICE AND PERFORMANCE AGREEMENT

**DATA TICKET, INC.
2603 MAIN STREET, SUITE 300
IRVINE, CALIFORNIA 92614**

(Hereinafter sometimes referred to as "COMPANY")

AND

**THE CITY OF LAKEWOOD
12650 DETROIT AVENUE
LAKEWOOD, OHIO 44107**

(Hereinafter sometimes referred to as "AGENCY"),

The Company intends to provide for the processing of fines, bail and forfeiture thereof, in connection with the issuance of administrative citations pursuant to AGENCY municipal code and the issuance of citations for illegal parking pursuant to the laws of the Ohio.

ARTICLE I - CITATION PROCESSING

1.1 Referral and Reconciliation: COMPANY shall receive and process citations from AGENCY. COMPANY will provide a reconciliation of the number of citations received from AGENCY.

1.2 Determination of Processable Citations: COMPANY shall screen the parking citations referred to it by AGENCY to determine if the citation is processable. If the citation is determined by COMPANY to be unprocessable (e.g., essential processing information is missing), COMPANY shall return the citation to AGENCY for clarification. COMPANY will be paid the contractual rate hereinafter provided, for citations properly returned to the AGENCY as unprocessable.

1.3 Collection and deposit of funds: A direct deposit system shall be employed for all funds received in payment of citations. The AGENCY shall have the choice of owning a bank account with the COMPANY or directing the COMPANY to deposit directly into an AGENCY account. In either case deposits shall be made directly into the account by the COMPANY for the collecting AGENCY, with the exception of credit card payments made using VISA, MasterCard and Discover cards belonging to the COMPANY. Credit card payments will be directly deposited into an account held by the COMPANY. Credit



card payments are reconciled and remitted on a monthly basis to the AGENCY, but tracked on the citations management software system on a daily basis. Citations paid by credit card are marked "paid" real-time immediately upon authorization, thus affording the citizen the opportunity to make payment at any time and have the payment recognized immediately.

1.4 PAYMENT: If the COMPANY deposits into an AGENCY account, the COMPANY will invoice the AGENCY for services rendered. Payment in full shall be due within thirty (30) days after which interest shall be accrued at the rate of 12% (or lower if any statutes, rules or regulations prohibit this rate). If the COMPANY deposits into an account held jointly between the AGENCY and the COMPANY, the COMPANY shall reconcile the account the month following the banking activity, disperse all revenue due the AGENCY, the COMPANY, any tax liability and all refunds and send all supporting documentation to the AGENCY for its records.

1.5 Identification of Registered Vehicle Owners: COMPANY shall exert best efforts and attempt to obtain the name and address of the registered vehicle owner from the State Department of Motor Vehicles (DMV) for each vehicle for which a parking citation has been issued. COMPANY shall follow all procedures specified by the DMV, and be consistent with the Vehicle Code nationwide, when identifying registered when identifying registered vehicle owners.

1.6 Verification of Ownership: COMPANY shall take reasonable measures to identify and verify registered vehicle owners. Such measures will take into consideration factors such as issuance of new license plates; address changes; license plate transfers to other vehicles; name changes; and the validity of plates and registration during specific time periods applicable to individual cases.

1.7 Delinquency Notices: In accordance with State law, COMPANY will generate and mail (presorted, first-class postage) no sooner than allowable by law, a delinquency notice to all identified registered owners of vehicles who fail to pay their parking citation fines or to post bail in the required manner. The mailed notice will include all information required by the State Vehicle Code, including, but not limited to, the following:

- A. The parking citation issuance date and number;
- B. The consequences of nonpayment (i.e., a hold on the vehicle registration and the imposition of penalties, towing, or issuance of a possible warrant for their arrest;
- C. The amount of fines and fees due and payable;
- D. Affidavit of Non-Ownership.

1.8 Registration Holds: The COMPANY will provide the system and procedures and will interface with the State Department of Motor Vehicles to place a hold on vehicle



registration having unpaid parking fines and fees due against those vehicles in accordance with the Vehicle Code and any other applicable State and local laws. The notification will be given within a reasonable period of time after issuance of a delinquency notice. The period of time will not exceed the time limits provided by state and local law.

1.9 Removal of Registration Holds: COMPANY will provide the system and procedures and will interface with the State Department of Motor Vehicles to remove registration holds when a registered vehicle owner satisfies the entire amount of parking citation fines, penalties, and fees due against the vehicle and establishes such payment to the satisfaction of COMPANY.

1.10 Contested Citations: In the event a registered vehicle owner disputes the liability for the outstanding parking citation, COMPANY will advise the registered vehicle owner of his/her right to request an appeal according to the laws in the state of citation issue. All contested citations will be forwarded to the appeals administrator or AGENCY within the prescribed time period so that the matter can be adjudicated.

1.11 Appeals: If requested by AGENCY, the COMPANY will schedule and conduct appeals in accordance with state law, to respond to parking violators wishing to contest their citations and offers the option to perform and administer those reviews and hearings. The COMPANY will provide a toll-free number for contestants to call, correspond with contestants and notify them of decisions; maintain records of dispositions and appeal paperwork and refer all paperwork to Court as required. The COMPANY shall not be responsible for the AGENCY'S failure to provide correct or timely infraction information. The AGENCY shall be responsible to refund any court filing fees due, if appeals are sent to Court and earlier decisions are overturned by the Court.

1.12 Citations Disposed of by Hearing/Court: The COMPANY may be required, as a result of court action, to reduce or cancel, on an individual basis, parking citations which have been referred to it. COMPANY shall be paid the contractual rate hereinafter provided for processing the citation regardless of the outcome of court action. COMPANY will maintain records indicating any reduction or cancellations of parking citations as a result of hearing/ court action. Parking citations that are dismissed as a result of hearing/court action, will have the dismissal processed by the COMPANY promptly after receipt from the Hearing/Court.

1.13 Suspension of Processing: COMPANY will suspend processing on any citation referred to it for processing upon written notice to do so by an authorized officer of the AGENCY. COMPANY will promptly return any citation or facsimile properly requested by the AGENCY. COMPANY will maintain records indicating any suspension of citation



as a result of AGENCY'S request. COMPANY shall be paid the contractual rate hereinafter provided for processing the citations suspended by the AGENCY.

1.14 Payments by U.S. Mail: It is the citizen's responsibility to ensure that payments are received on or before the date due. The date received by the COMPANY will be the criteria to establish any delinquent fees due.

1.15 Parking Citation System Master File Update: COMPANY will regularly, on a daily basis, update the parking citation database with new citations, payments, reductions, cancellations, dismissals and any other pertinent data.

ARTICLE II - PAYMENT PROCESSING

2.1 Disposition Processing: COMPANY will maintain all citation dispositions for a minimum of two (2) years. Closed citations will remain on-line for at least two (2) years, for research and statistical purposes.

2.2 Payments Processing: COMPANY shall process citation payments within twenty-four (24) hours of receipt. Payments shall be immediately posted in one (1) of three (3) following categories:

"Regular Payments" are citations with the correct bail, paid on or before the due date. (This includes payments properly complying with Notices-of-Intent).

"Partial Payments" are citations paid after the due date, or if the defendant has paid less than the amount of bail due. A Notice-of-Intent, or a postcard will advise defendant of late charges and/or incorrect bail, if the check has insufficient information for deposit.

"Court/Hearing Requests" are all requests for administrative/court hearings by defendants. These requests are sorted so that bail submitted is immediately posted, and if needed the original citations are retrieved.

2.3 Miscellaneous Letters Processing: COMPANY will receive and review all miscellaneous correspondence. These are generally letters requesting meter checks, refunds, voids, or otherwise setting forth complaints. These letters will be researched by COMPANY for proper follow-up either by AGENCY or by COMPANY.

2.4 Batching Procedures: COMPANY shall maintain effective procedures of internal control. Such procedures shall involve reconciliation of all payments received using generally accepted accounting principles. After proper reconciliation, deposit slips shall be prepared for and deposits made at the appropriate bank, including an itemized listing of all batch numbers included in the deposit. The batch of citation payment



documentation shall then be stored in a file room, for a period of two (2) years.

2.5 Cash Payments: COMPANY shall maintain an effective method of handling cash payments. All cash received through the mail, shall be logged in a cash journal. Thereafter, effective internal control procedures shall be implemented to reconcile such payments, using generally accepted accounting principles.

2.6 Deposits: All deposits shall be made daily, subject to regular banking hours. Deposits shall be itemized and detailed information will be captured regarding submitted funds. Deposit slips shall be prepared in duplicate, allowing one (1) copy for the bank and one (1) copy for the COMPANY. If the bank account is held jointly the COMPANY shall make all deposits, perform all reconciliation, refunds and check generation along with monthly invoicing. This information shall be available for AGENCY review. If only the AGENCY'S designated bank account is used, COMPANY will deposit directly into the designated account, but will have no authorization to perform any other duties. Monthly invoicing will be generated by the citation management system and AGENCY will be responsible to reconcile their bank account and cut all checks including any refund checks. If the AGENCY holds the account individually, it will supply deposit slips and endorsement stamp to COMPANY.

Revenue Report: A monthly revenue report will list all revenues received during the preceding month. This report will also provide information regarding the AGENCY'S responsibility for any taxes on collected funds.

ARTICLE III – WEB SITE

3.1 Citation Management Web Site: The COMPANY offers a web site for AGENCY review of its database, including all citations and information relating to changes in status.

3.2 Citizen Web Site Access: When the AGENCY has web site access, the citizens who receive citations will be able to access the web site to review their individual citations, pay on-line and appeal on-line.

3.3 Web Site Interaction: The web site may be "view only" or "interactive," for the AGENCY depending on requirements of the AGENCY.

3.4 Web Site Reports: Web site reports are available to the AGENCY on a daily 24/7 schedule.

3.5 Web Site Cost: User ID's & passwords will be assigned to the AGENCY at no cost.



ARTICLE IV - GENERAL

4.1 Public Inquiries: The COMPANY will respond to reasonable inquiry by telephone or letter of a nonjudicial nature. Inquiries of a judicial nature will be referred to the AGENCY for determination, unless the COMPANY has been designated to handle appeals.

4.2 COMPANY Limitations: COMPANY will not take legal action or threaten legal action in any specific case without AGENCY'S prior approval.

4.3 Use of Approved Forms: AGENCY shall have the right to reasonable approval of all forms, delinquency notices, and correspondence sent by the COMPANY. These must conform to State and local law.

4.4 Books and Records: COMPANY will maintain adequate books or records for parking citations issued within the AGENCY'S jurisdiction and referred to COMPANY for processing. Such books or records, and related computer processing data, shall be available for reasonable inspection and audit by AGENCY at the COMPANY'S location at reasonable times upon adequate prior notice to COMPANY.

4.5 Ownership: All reports, information and data, including but not limited to computer tapes, discs or files furnished or prepared by the COMPANY or its subcontractors, (collectively the "Materials"), are and shall remain exclusively the sole property of COMPANY, and the AGENCY shall acquire no right or title to said Materials. All computer software and systems, related automated and manual procedures, instructions, computer programs, and data storage media containing same, and written procedures performed hereunder (collectively the "System") are and shall remain exclusively the sole property of COMPANY, and the AGENCY shall acquire no right or title to said Systems.

4.6 Property of AGENCY: All documents, records, discs, files and tapes supplied by AGENCY to COMPANY in performance of this contract are agreed to be and shall remain the sole property of AGENCY. COMPANY agrees to return same promptly to AGENCY no later than sixty (60) days following notice to the COMPANY. The AGENCY shall make arrangements with COMPANY for the transmission of such data to the AGENCY upon payment to COMPANY of any open invoices and the cost of copy and delivery of such information from COMPANY'S computer facilities to AGENCY'S designated point of delivery.

4.7 Confidentiality: In order to enable COMPANY to carry out its work hereunder, to some extent it will have to impart to the AGENCY'S employees information contained in



the Materials and Systems (collectively the "CONFIDENTIAL DATA"). The AGENCY agrees that information contained in the data that was marked in writing as "CONFIDENTIAL", "PROPRIETARY" or similarly, so as to give notice of its confidential nature, when submitted to the AGENCY by COMPANY shall be retained by AGENCY in the strictest confidence and shall not be used or disclosed in any form except in accordance with paragraph 4.8 hereinbelow. The PUBLIC AGENCY recognizes that irreparable harm could be occasioned to COMPANY by disclosure of CONFIDENTIAL DATA that is related to its business and that COMPANY may accordingly seek to protect such CONFIDENTIAL DATA by enjoining disclosure.

4.8 Consent For Disclosure: No report, information, data, files, or tapes furnished or prepared by COMPANY or its subcontractors, successors, officers, employees, servants, or agents shall be made available to any individual or organization without the prior written approval of AGENCY other than individuals or organization who are reasonable necessary to properly effectuate the terms and conditions of this agreement. This Non-Disclosure obligation shall survive the Termination of this Agreement.

4.9 COMPANY Files: COMPANY shall maintain master files on parking citations referred to it for processing under the scope of services. Such files will contain records of payments, dispositions, and any other pertinent information required to provide a reasonable audit trail.

4.10 Storage for AGENCY:

- A. COMPANY agrees to store original citations for the current year plus two (2) years, at which time they will be returned to AGENCY or shredded. COMPANY will have such information available on system, CD or diskette for AGENCY'S review for a reasonable time period to permit AGENCY retrieval of such information. AGENCY relieves COMPANY of all liability costs associated with data released by AGENCY to any other person or entity using such data.
- B. Subsequent to the termination of the contract, COMPANY will return all hard copies to the AGENCY or shred them. If requested, an electronic file, diskette or CD of all processed data will be available to the AGENCY.

ARTICLE V – ADDITIONAL SERVICES

5. 1 Delinquent Collections: COMPANY shall retain a percent of payments collected on delinquent citations which have been processed in accordance with the current Agreement, and meet the following criteria:

- A. Delinquent citations are those for which the normal daily processing



cycle is complete, but payment in full has not been received; or those for which the State Department of Motor Vehicles has received a registration hold and/or has dropped the registration hold due to a transfer of ownership or non-renewal of registration or a registration hold was not accepted, but the normal daily processing cycle is complete and in full has not been received.

- B. Citations with out-of-state license plates for which the normal daily processing cycle is complete.
- C. Any other problem or special citations that AGENCY so designates and refers to COMPANY under this Agreement.

5.2 Postal Rate Increase: The COMPANY will maintain auditable records to document the COMPANY'S actual postage costs associated with the mailing of all notices for unpaid citations and for other mailings related to the processing of correspondence. If there is a postal increase, that increase will be invoiced effective on the date that the postal rate increase goes into effect.

ARTICLE VI - REPORTS

6.1 Periodic Reports: COMPANY will submit reports to AGENCY each month. The reports will provide activities relating to performance under this Scope of Services. Among the reports, which COMPANY will generate, are the following:

- A. Report of Revenue Collected for Period
- B. Report for Parking Citations Issued for Period
- C. A balanced summary report for issuing AGENCY providing the status of all parking citations at the beginning of the period, current period and at the end of the period.
- D. A report for issuing Agency identifying registered vehicle owners multiple outstanding parking citations.
- E. A report for issuing Agency identifying the parking citations issued, location, violation by each officer.

6.2 Annual Reports: Annually, COMPANY shall comply with existing state laws.

ARTICLE VII – TERM OF CONTRACT AND COSTS

7.1 Terms and Renewals: This Agreement shall be for three (3) years with renewal options for additional one-year terms. Unless notice of termination is made in writing by either party to the other no less than ninety (90) days prior to the end of the scheduled term. This Agreement shall automatically renew for subsequent one (1) year periods. In conjunction with the automatic extension of the terms of this Agreement, COMPANY may



give notice of reasonable price adjustments for its processing services. The AGENCY will have thirty (30) days to respond in writing to the purposed increase. Unless AGENCY gives notice in writing of its rejection of these price adjustments, the term shall be extended with these price adjustments as stated. If the AGENCY gives notice of its rejection of these price adjustments, unless there is a further written Agreement between the parties, the term of the Agreement shall not be extended and the Agreement shall terminate.

7.2 Cancellation: Upon a material breach or upon one-hundred twenty (120) days written notice to the COMPANY, the AGENCY may cancel or terminate this Agreement. The COMPANY shall have thirty (30) days to cure any material breach or defect set forth in the written termination notice provided by the AGENCY.

7.3 Exclusivity: AGENCY agrees to utilize only the services of the COMPANY during the term of the Agreement for the processing of the citations referred to above. AGENCY agrees during the term of the Agreement, to not directly or indirectly engage a competitor of the COMPANY for the performance of the services provided by the COMPANY under this Agreement.

7.4 Costs: Please see Cost Proposal for all associated costs.

ARTICLE VIII – CLAIMS AND ACTIONS

8.1 AGENCY Cooperation: in the event any claim or action is brought against COMPANY relating to COMPANY'S performance or services rendered under this Agreement, COMPANY shall notify the AGENCY, in writing, within ten (10) days, of said claim or action.

8.2 Hold Harmless: COMPANY and AGENCY agree to the following hold harmless clauses.

- A. COMPANY agrees to indemnify, defend, and hold harmless the AGENCY and its officers and employees against all claims, demands, damages, costs, and liabilities arising out of, or in connection with the performance by COMPANY or AGENCY or any of their officers, employees or agency under this AGREEMENT, excepting only loss, injury or damage caused solely by the negligent acts or omissions of AGENCY or any of its officers or employees.
- B. AGENCY agrees to indemnify, defend & hold harmless the COMPANY and its officers and employees against all claims, demands, damages, costs and liabilities for loss, injury or damage caused solely by the negligent acts or omissions of AGENCY or any of its officers or employees arising out of or in connection with the



performance by the AGENCY or any of its officers or employees under AGREEMENT.

ARTICLE IX – SUBCONTRACTORS AND ASSIGNMENTS

9.1 Subcontracting: COMPANY is authorized to engage subcontracts as permitted by law at COMPANY'S own expense, subcontracts shall be deemed agents of COMPANY.

9.2 Assignments: This contract may not be assigned without the prior consent of the AGENCY. It is understood and acknowledged by the parties that the COMPANY is uniquely qualified to perform the services in this Agreement.

ARTICLE X - INDEPENDENT COMPANY

10.1 COMPANY'S Relationship: COMPANY'S relationship to the AGENCY in the performance of this Agreement is that of an independent COMPANY. Personnel performing services under this Agreement shall at all times be under COMPANY'S exclusive direction and control and shall be employees of COMPANY and not employees of the AGENCY. COMPANY shall pay all wages and salaries and shall not be responsible for all reports and obligations respecting them relating to social security, income tax withholding, unemployment compensation, worker's compensation, and similar matters. Neither COMPANY nor any officer, agent, or employee of COMPANY shall obtain any right to retirement benefits or other benefits which accrue to employees of AGENCY, and COMPANY hereby expressly waives any claim it might have to such rights.

ARTICLE XI – INSURANCE

11.1 Insurance Provisions: COMPANY shall provide and maintain at its own expense during the term of this Agreement, the following policy or policies of insurance covering its operations hereunder. Such insurance shall be provided by insurer(s) satisfactory to the AGENCY and certificates of such insurance shall be delivered to the AGENCY on or before the effective date of this Agreement. Such certificates shall specifically identify this Agreement and shall not be cancelled, reduced in coverage or limits or non-renewed except after thirty (30) days written notice has been given to the AGENCY.

- A) Comprehensive general liability insurance covering bodily and personal injury and property damage. Limits shall be in an amount of not less than one million (\$1,000,000) dollars per occurrence. Such insurance policies shall name the AGENCY, its officers, agents and employees, individually and collectively, as additionally insured. Such coverage for additional insured shall apply as primary insurance and any other insurance or self-insured retention maintained by the AGENCY, its officers, agents and employees shall be excess only and not



- B) contributing with insurance provided under said policy.
- C) Comprehensive automobile liability owned, non-owned and hired vehicles with not less than one million (\$1,000,000) dollars combined single limit, per occurrence for property damage and for bodily injury or death of persons. Such insurance shall include the same additional-insured and cancellation notice provisions as specified above and may be combined with the comprehensive general liability coverage required above.
- D) Proof of Professional Liability/Malpractice/Errors and Omissions insurance as appropriate will also be provided in the amount of \$1,000,000.
- E) Throughout the period of the Agreement, COMPANY, at its sole cost, shall maintain in full force and effect a policy of worker's compensation insurance covering all of its employees as required by the labor code of the State of California.

ARTICLE XII – ENTIRE AGREEMENT

12.1 Integrated Agreement: This contract is intended by the parties as a final expression of their Agreement and also as a complete and exclusive statement of the terms thereof, any prior oral or written Agreement regarding the same subject matter notwithstanding. This Agreement may not be modified or terminated orally and no modification or any claim or waiver of any of the provisions shall be effective unless in writing and signed by both parties.

12.2 Law Applicable: This Agreement shall be construed in accordance with the Laws of the State of California.

12.3 Notice to Parties: Any notice required under this Agreement to be given to either party may be given by depositing in the United States mail, postage prepaid, first-class, addressed to the following:



AS TO THE AGENCY:

THE CITY OF LAKEWOOD
12650 DETROIT AVENUE
LAKEWOOD, OHIO 44107

AS TO THE COMPANY:

DATA TICKET, INC.
A CALIFORNIA CORPORATION
2603 MAIN STREET, SUITE 300
IRVINE, CALIFORNIA 92614

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year last written below.

AGENCY: THE CITY OF LAKEWOOD

COMPANY: DATA TICKET, INC.

Signature: [Signature]

Signature: [Signature]

Print Name: Jenn Pae

Print Name: Brook Westcott

Title: Finance Director

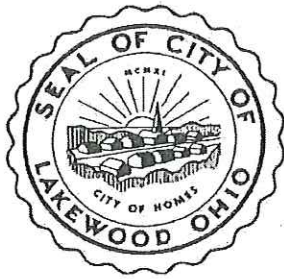
Title: Chief Operating Officer

Date: June 11, 2018

Date: June 4, 2018

Approved As To Legal Form:

[Signature]
Director of Law, City of Lakewood



12650 DETROIT AVENUE ■ 44107 ■ 216-529-6075 ■ 216-529-6806

Reference No. BC-18-148

May 21, 2018

Board of Control
City of Lakewood, Ohio 44107

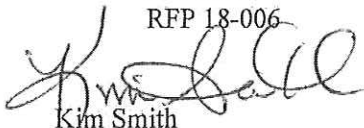
Subject: Award Contract – Professional Service Contract – Re: Parking Citation Billing Service

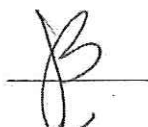



Dear Members of the Board:

Based on a review conducted by the Division of Purchasing in conjunction with the Department of Public Safety, Division of Police, and the attached letter of recommendation, I am submitting for your consideration this request to award a requirement contract to Data Ticket, Inc. in an amount not to exceed \$50,000 to provide Parking Citation Billing Services, including electronic ticket writers for Parking Enforcement. Contract award effective June 1, 2018 through May 31, 2019 and includes (2) additional one-year renewal options. *NOTE: collection fees are taken out of collections.*

Data Ticket, Inc. submitted the best responsive and responsible response to RFP 18-006.

Contracting Authority:	Ordinance 43-17 \$50,000
Contracting Balance:	\$50,000 / \$0.00
Funding:	General Fund
Account Distribution:	101-2010-421-39-10 \$50,000
Account Balance:	\$37,300 / xx
Contract Approved by Law:	Yes _____ / No _____ / PO _____ / c/c _____
Object Code:	Contractual Services / Other
Commodity Code:	946-033
Bid Reference:	RFP 18-006


Kim Smith
Purchasing Manager

	<u>Approved</u>	<u>Disapproved</u>	<u>Date</u>
Joseph J. Beno PE, Director of Public Works		_____	5/21/18
Kevin M. Butler, Director of Law		_____	5/21/18
Jennifer Pae, Director of Finance		_____	5/21/18
Michael P. Summers, Mayor		_____	5-21-18

